



# LENA C. TAYLOR

Wisconsin State Senator • 4th District

HERE TO SERVE YOU!

## Testimony of Senator Lena C. Taylor

Committee on Judiciary, Corrections, Insurance, Campaign Finance Reform, and Housing,  
SB 534 Wisconsin Employer Assisted Housing Act  
March 3, 2010

Honorable Members of the Committee,

Thank you for taking testimony today on Senate Bill 534 – the Wisconsin Employer Assisted Housing Act. SB 534 will set the foundation for Wisconsin's economic growth at the ground level, at main street, where all Wisconsin residents will have an increased opportunity to access to life's most basic amenity: housing. This bill charges the Wisconsin Housing and Economic Development Authority (WHEDA) with the task of developing and administering a program that will grant tax benefits to employers who offer qualifying employer-assisted housing programs to employees.

As early as 1992, the Wisconsin Electric Power Company approached Select Milwaukee, a non profit organization supporting home buying to develop a home buying program for its employees.<sup>1</sup> Companies like Wisconsin Electric have seen the tangible benefits of this program.

This bill means stability, morale, lower turnover rates and productivity in the workplace, which in this economy serves to rev up Wisconsin's economic engine. Homebuyers can gain personal and financial security by purchasing a home, as well as the added ability to accumulate wealth through the equity in their home. This measure serves those that need it the most, the only eligible employees are those that have an annual gross household income not exceeding 120 percent of the area median gross household income.

Blight in areas like Milwaukee will be combated by this bill as rates of owner-occupancy will contribute to the revitalization and economic stability for many neighborhoods. In a time when families that are struggling to keep a roof over their heads, employers have an incentive to support their employees to have a chance for stable housing, a bedrock of financial independence.

Under this bill, an employer can claim tax benefits when at least \$10,000 in qualified housing expenses is incurred. The amount that the employer can claim to collect on these benefits is 50 percent of the qualified expenses. This amount rises to 90 percent if the property is a foreclosure. This added incentive speaks to a focus on revitalizing neighborhoods that need it the most.

Wisconsin is not the only state with such a program. An estimated \$1.1 million in employer dollars went to help employees purchase homes in Illinois in 2008. Wisconsin cannot afford to lag behind economically; this measure keeps our economy and our citizens moving forward.

Today you will hear and read from others about the successes of this program. Your support of this bill is crucial for the advancement of this program that can generate great returns for our employees, employers, and communities.

<sup>1</sup> <http://www.huduser.org/periodicals/fieldworks/0603/fworks1.html>

March 3, 2010

Senator Lena Taylor  
Room 415 South  
State Capitol  
P.O. Box 7882  
Madison, WI 53707-7882

Dear Senator Taylor:

I am a successful and proud homeowner thanks to Aurora Visiting Nurse Association employer assisted homeownership program and the services and resources I received from Select Milwaukee. The help and resources made all the difference in the world to my family and me. Because I think more working people should have the opportunity for homeownership I've had, I am writing to express my support for SB 534 about employer assisted housing.

The EAH program at Aurora VNA has meant so much to me, because without this program I really do not think I could have closed on my home Nov. 10, 2009. I am a single mother of five children and I could not have imagined where I would have to come up with closing costs on my own. Select Milwaukee is a blessing in the skies, without their help my journey and dream of becoming a homeowner would have been abandoned. The process to becoming a homeowner is very frustrating and I know without the help of Select Milwaukee I would have given up. I would not have known about all the grants and programs I qualified for, all the paper work needed and all the education I received to become a homeowner. I thank them so much everyday when I look out at the view from the window of my own home.

Being a homeowner means so much to my children and me. We can now say we own a piece of the American pie. My children can look at me with pride in their little eyes and say, "if mommy can do so can I". Being a minority and a single mom becoming a homeowner not only strengthened me to become a better person, it also pushed me to show my children hard work really pays off in the end.

Please consider supporting SB 534 to strengthen our neighborhoods through homeownership by helping more families like mine become successful homeowners.

Thank you.

Sincerely,

Danielle Leonard  
Customer Service Specialist  
Aurora VNA  
(414) 329-5540-phone  
(414)327-6965-Fax  
[Danielle.Leonard@aurora.org](mailto:Danielle.Leonard@aurora.org)

cc: Senator Jim Sullivan, Vice Chair  
Senator Jon Erpenbach  
Senator Glenn Grothman  
Senator Randy Hopper

METROPOLITAN  
MILWAUKEE**FAIR**  
HOUSING  
COUNCIL600 East Mason Street,  
Suite 200

Milwaukee, WI 53202

phone 414.278.1240  
fax 414.278.8033  
tty 414.278.0280

fairhousingwisconsin.com

William R. Tisdale  
President and CEO

March 2, 2010

Senator Lena Taylor  
State Capitol  
P.O. Box 7882  
Madison, WI 53707-7882

Re: 2009 Senate Bill 534

Dear Senator Taylor:

I am writing to express the Metropolitan Milwaukee Fair Housing Council's (MMFHC) enthusiastic support for Senate Bill 534 and Employer-Assisted Housing. MMFHC has a 32-year history of commitment to guaranteeing all people equal access to housing opportunities. Our mission is to promote fair housing throughout the State of Wisconsin by combating illegal housing discrimination and by creating and maintaining racially and economically integrated housing patterns.

When housing is affordable and linked to other opportunities, it can serve as a conduit to improved life outcomes and an improved region. For instance, housing connected to interrelated issues like sustainable employment, quality educational institutions, healthy environments, supportive childcare, and quality, affordable health care contributes to expanded social and economic opportunity for individuals and families.

We are particularly interested in the benefits that might be realized by communities that have high job growth but limited housing opportunities to accommodate their worker's wages. For instance, located in the City of Oconomowoc is the Target Distribution Center and the new Aurora Hospital, yet the housing being developed has been focused on Pabst Farms, extremely high-end housing. If Target and Aurora were to utilize employer-assisted housing, potentially workers would be able to obtain affordable housing and employers would gain a more stable labor force.

Please let me know if I can assist you in your effort to make employer-assisted housing a reality.

Sincerely,

Kori Schneider-Peragine  
Senior Administrator, Inclusive Communities Program



Department of Administration  
Intergovernmental Relations Division

Tom Barrett  
Mayor

Sharon Robinson  
Director of Administration

Paul Vornholt  
Director of Intergovernmental Relations

March 3, 2010

To: Senator Lena Taylor, Chairwoman, & Members of the Senate Committee on Judiciary, Corrections, Insurance, Campaign Finance Reform and Housing

From: City of Milwaukee Intergovernmental Relations Division

Re: Support for SB 534 – Wisconsin Employer Assisted Housing Act

The combined forces of foreclosures, a stagnant housing market and public and non-profit affordable housing initiatives have moderated housing prices throughout the state. Yet, the mismatch between household incomes and housing costs remains; stable and affordable housing is still elusive for many working families in Milwaukee and throughout the State of Wisconsin.

SB 534, the WI Employer Assisted Housing Act, is a new tax credit program that will help employers throughout the state to assist in providing affordable homeownership for Wisconsin families, and we ask for your support for this legislation. Employer-Assisted Housing (EAH) are benefits that employers provide employees in order to assist their workforce achieve the goal of homeownership.

Employees benefit with direct assistance helping to cover costs of purchasing a home including: assistance with a down payment, closing costs, education and counseling services, assistance for purchasing foreclosed properties, etc. Employers then benefit because this program assists with employee recruitment, retention, productivity and morale. In addition to the tax benefits that employers receive under the program, other businesses throughout the private sector will benefit from EAH due to the amount of private funds that will be leveraged.

The City of Milwaukee is committed to building stronger neighborhoods and addressing the negative impacts that the downturn in the housing market has had on homeowners. The EAH program is an innovative approach, and parallels and complements the efforts that Mayor Barrett's Milwaukee Foreclosure Partnership Initiative has done to mitigate the impact of foreclosures; the Neighborhood Stabilization Program has done to assist homebuyers purchase foreclosed properties; and the Milwaukee Housing Trust Fund's efforts to assist low-income households with obtaining and maintaining affordable housing.

We thank you for considering SB 534, and again we ask for your support for this important legislation.